

AMENDED IN SENATE APRIL 20, 2005

**SENATE BILL**

**No. 625**

**Introduced by Senator Battin**

February 22, 2005

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An act to amend Sections 11011, 54220, 54221, and 54222 of the Government Code, relating to public property.

LEGISLATIVE COUNSEL'S DIGEST

SB 625, as amended, Battin. State and local surplus property: written offer to sell or lease: economic development purposes.

*Existing law requires each state agency to review all proprietary state lands and make a list of excess lands and to report the list to the Department of General Services.*

*This bill would specifically add to that list surplus land that is suitable for economic development purposes, as defined.*

Existing law requires any agency of the state and any local agency disposing of surplus land, prior to disposing of that property, to send a written offer to sell or lease the property for specified purposes.

This bill would additionally require these agencies to send a written offer to sell or lease the property for economic development purposes; ~~as defined.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 11011 of the Government Code is
- 2     amended to read:
- 3     11011. (a) On or before December 31st of each year, each
- 4     state agency shall make a review of all proprietary state lands,

1 other than tax-deeded land, land held for highway purposes,  
2 lands under the jurisdiction of the State Lands Commission, land  
3 that has escheated to the state or that has been distributed to the  
4 state by court decree in estates of deceased persons, and lands  
5 under the jurisdiction of the State Coastal Conservancy, over  
6 which it has jurisdiction to determine what, if any, land is in  
7 excess of its foreseeable needs and report thereon in writing to  
8 the Department of General Services. These lands shall include,  
9 but not be limited to, the following:

10 (1) Land not currently being utilized, or currently being  
11 underutilized, by the state agency for any existing or ongoing  
12 state program.

13 (2) Land for which the state agency has not identified any  
14 specific utilization relative to future programmatic needs.

15 (3) Land not identified by the state agency within its master  
16 plans for facility development.

17 (4) *Surplus land suitable for economic development purposes,*  
18 *as defined in subdivision (e) of Section 54221.*

19 (b) Jurisdiction of all land reported as excess shall be  
20 transferred to the Department of General Services, when  
21 requested by the director thereof, for sale or disposition under  
22 this section or as may be otherwise authorized by law.

23 (c) The Department of General Services shall report to the  
24 Legislature annually, the land declared excess and request  
25 authorization to dispose of the land by sale or otherwise.

26 (d) The Department of General Services shall review and  
27 consider reports submitted to the Director of General Services  
28 pursuant to Section 66907.12 of the Government Code and  
29 Section 31104.3 of the Public Resources Code prior to  
30 recommending or taking any action on surplus land, and shall  
31 also circulate the reports to all agencies that are required to report  
32 excess land pursuant to this section. In recommending or  
33 determining the disposition of surplus lands, the Director of  
34 General Services may give priority to proposals by the state that  
35 involve the exchange of surplus lands for lands listed in those  
36 reports.

37 (e) Except as otherwise provided by any other provision of  
38 law, whenever any land is reported as excess pursuant to this  
39 section, the Department of General Services shall determine  
40 whether or not the use of the land is needed by any other state

1 agency. If the Department of General Services determines that  
2 any land is needed by any other state agency it may transfer the  
3 jurisdiction of this land to the other state agency upon the terms  
4 and conditions as it may deem to be for the best interests of the  
5 state.

6 (f) When authority is granted for the sale or other disposition  
7 of lands declared excess, and the Department of General Services  
8 has determined that the use of the land is not needed by any other  
9 state agency, the Department of General Services shall sell the  
10 land or otherwise dispose of the same pursuant to the  
11 authorization, upon any terms and conditions and subject to any  
12 reservations and exceptions as the Department of General  
13 Services may deem to be for the best interests of the state. The  
14 Department of General Services shall report to the Legislature  
15 annually, with respect to each parcel of land authorized to be sold  
16 under this section, giving the following information:

17 (1) A description or other identification of the property.

18 (2) The date of authorization.

19 (3) With regard to each parcel sold after the next preceding  
20 report, the date of sale and price received, or the value of the land  
21 received in exchange.

22 (4) The present status of the property, if not sold or otherwise  
23 disposed of at the time of the report.

24 (g) Except as otherwise specified by law, moneys received  
25 from any property disposition, including the sale, lease,  
26 exchange, or other means, that is received pursuant to this section  
27 shall be paid into the General Fund.

28 For purposes of this section, net proceeds shall be defined as  
29 gross proceeds less all costs directly related to the completion of  
30 the transaction including, but not limited to, selling costs, transfer  
31 fees, commissions, and costs incurred by the Department of  
32 General Services.

33 (h) Any rentals or other revenues received by the department  
34 from real properties, the jurisdiction of which has been  
35 transferred to the Department of General Services under this  
36 section, shall be deposited in the General Fund in the account  
37 established by Section 15863. Any expenditures required to  
38 maintain, repair, care for, and sell this real property shall be paid  
39 from the appropriation made by Section 15863.

(i) Nothing contained in this section shall be construed to prohibit the sale, letting, or other disposition of any state lands pursuant to any law now or hereafter enacted authorizing the sale, letting, or disposition.

(j) This section shall be inoperative for the period commencing with the effective date of the act that added this subdivision, until July 1, 2005.

**SECTION 1.**

*SEC. 2.* Section 54220 of the Government Code is amended to read:

54220. (a) The Legislature reaffirms its declaration that housing is of vital statewide importance to the health, safety, and welfare of the residents of this state and that provision of a decent home and a suitable living environment for every Californian is a priority of the highest order. The Legislature further declares that there is a shortage of sites available for housing for persons and families of low and moderate income and that surplus government land, prior to disposition, should be made available for that purpose.

(b) The Legislature reaffirms its belief that there is an identifiable deficiency in the amount of land available for recreational purposes and that surplus land, prior to disposition, should be made available for park and recreation purposes or for open-space purposes. This article shall not apply to surplus residential property as defined in Section 54236.

(c) The Legislature reaffirms its declaration of the importance of appropriate planning and development near transit stations, to encourage the clustering of housing and commercial development around such stations. Studies of transit ridership in California indicate that a higher percentage of persons who live or work within walking distance of major transit stations utilize the transit system more than those living elsewhere. The Legislature also notes that the Federal Transit Administration gives priority for funding of rail transit proposals to areas that are implementing higher-density, mixed-use development near major transit stations.

(d) The Legislature further declares its belief that economic development of vacant and underutilized land is important to the financial well-being of local agencies. Economic development expands local employment and commerce opportunities,

enhances quality of life, and increases community land values and tax revenues to local agencies, which in turn increases local government services and benefits available to residents. Economic development also deters crime and improves community security. The Legislature affirms that there is a shortage of land available for economic development purposes and that surplus state land, prior to disposition, should be made available to local agencies for economic development purposes.

~~SEC. 2.~~

*SEC. 3.* Section 54221 of the Government Code is amended to read:

54221. (a) As used in this article, the term “local agency” means every city, whether organized under general law or by charter, county, city and county, and district, including school districts of any kind or class, empowered to acquire and hold real property.

(b) As used in this article, the term “surplus land” means land owned by any agency of the state, or any local agency, that is determined to be no longer necessary for the agency’s use, except property being held by the agency for the purpose of exchange.

(c) As used in this article, the term “open-space purposes” means the use of land for public recreation, enjoyment of scenic beauty, or conservation or use of natural resources.

(d) As used in this article, the term “persons and families of low or moderate income” means the same as provided under Section 50093 of the Health and Safety Code.

(e) As used in this article, the term “economic development purposes” means projects designed to attract, retain, and expand business that promotes economic growth and stability.

(f) As used in this article, the term “exempt surplus land” means either of the following:

(1) Surplus land which is transferred pursuant to Section 25539.4.

(2) Surplus land which is (A) less than 5,000 square feet in area, (B) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or (C) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency which is used for park, recreational, open-space, or low- and moderate-income housing

1 purposes and is not located within an enterprise zone pursuant to  
2 Section 7073 nor a designated program area as defined in Section  
3 7082. If the surplus land is not sold to an owner of contiguous  
4 land, it is not considered exempt surplus land and is subject to the  
5 provisions of this article.

6  
7 (g) Notwithstanding subdivision (e), the following properties  
8 are not considered exempt surplus land and are subject to the  
9 provisions of this article:

10 (1) Lands within the coastal zone.

11 (2) Lands within 1,000 yards of a historical unit of the State  
12 Parks System.

13 (3) Lands within 1,000 yards of any property that has been  
14 listed on, or determined by the State Office of Historic  
15 Preservation to be eligible for, the National Register of Historic  
16 Places.

17 (4) Lands within the Lake Tahoe region as defined in Section  
18 66905.5.

19 ~~SEC. 3.~~

20 *SEC. 4.* Section 54222 of the Government Code is amended  
21 to read:

22 54222. Any agency of the state and any local agency  
23 disposing of surplus land shall, prior to disposing of that  
24 property, send a written offer to sell or lease the property as  
25 follows:

26 (a) A written offer to sell or lease for the purpose of  
27 developing low- and moderate-income housing shall be sent to  
28 any local public entity as defined in Section 50079 of the Health  
29 and Safety Code, within whose jurisdiction the surplus land is  
30 located. Housing sponsors, as defined by Section 50074 of the  
31 Health and Safety Code, shall, upon written request, be sent a  
32 written offer to sell or lease surplus land for the purpose of  
33 developing low- and moderate-income housing. All notices shall  
34 be sent by first-class mail and shall include the location and a  
35 description of the property. With respect to any offer to purchase  
36 or lease pursuant to this subdivision, priority shall be given to  
37 development of the land to provide affordable housing for lower  
38 income elderly or disabled persons or households, and other  
39 lower income households.

1 (b) A written offer to sell or lease for park and recreational  
2 purposes or open-space purposes shall be sent:

3 (1) To any park or recreation department of any city within  
4 which the land may be situated.

5 (2) To any park or recreation department of the county within  
6 which the land is situated.

7 (3) To any regional park authority having jurisdiction within  
8 the area in which the land is situated.

9 (4) To the State Resources Agency or any agency which may  
10 succeed to its powers.

11 (c) A written offer to sell or lease land suitable for school  
12 facilities construction or use by a school district for open-space  
13 purposes shall be sent to any school district in whose jurisdiction  
14 the land is located.

15 (d) A written offer to sell or lease for enterprise zone purposes  
16 any surplus property in an area designated as an enterprise zone  
17 pursuant to Section 7073 shall be sent to the nonprofit  
18 neighborhood enterprise association corporation in that zone.

19 (e) A written offer to sell or lease for the purpose of  
20 developing property located within an infill opportunity zone  
21 designated pursuant to Section 65088.4 or within an area covered  
22 by a transit village plan adopted pursuant to the Transit Village  
23 Development Planning Act of 1994, Article 8.5 (commencing  
24 with Section 65460) of Chapter 3 of Division 1 of Title 7 shall be  
25 sent to any county, city, city and county, community  
26 redevelopment agency, public transportation agency, or housing  
27 authority within whose jurisdiction the surplus land is located.

28 (f) A written offer to sell or lease any surplus property for  
29 economic development purposes, as defined in subdivision (e) of  
30 Section 54221, *to a local government entity or nonprofit*  
31 *organization engaged in economic development.*

32 (g) The entity or association desiring to purchase or lease the  
33 surplus land for any of the purposes authorized by this section  
34 shall notify in writing the disposing agency of its intent to  
35 purchase or lease the land within 60 days after receipt of the  
36 agency's notification of intent to sell the land.